



APPROVED MINUTES
Idaho Soil Conservation Commission
2270 Old Penitentiary Road
Boise, Idaho

The Idaho Soil Conservation Commission (ISCC) held its regular, bi-monthly meeting on May 23, 2005 in Lower Conference Rooms 1 and 2 at the Idaho State Department of Agriculture (ISDA) office in Boise, Idaho. Attendance was as follows:

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scc.idaho.gov

Governor
Dirk Kempthorne

Commission members

Bill Whittom
J. Morgan Evans
Gary Grindstaff
Jerry Reid
Tom Johnston

Administrator
Jerry Nicolescu

Members: Bill Whittom, Chairman
J. Morgan Evans, Vice-Chairman
Gary Grindstaff, Secretary
Jerry Reid, Member
Tom Johnston, Member

Advisors: Kyle Hawley, Idaho Association Soil Conservation Districts (IASCD)
Dave Hoover, for Rich Sims, Natural Resources Conservation Service (NRCS)

Advisors not present: Paul McCawley, University of Idaho (U of I)

Others: Jerry Nicolescu, ISCC
Brenda Thomasson, ISCC
Jennifer Ambrose, ISCC
Christy Mastin, ISCC
Biff Burleigh, ISCC
Tony Bennett, ISCC
Kathy Weaver, ISCC
Kathie Shea, ISCC
Janet Hohle, ISCC
Ray Houston, Legislative Services Office (LSO)
Jane McClaren, Division of Financial Management
(DFM) Debbie Tiede, Idaho District Employees Association
(IDEA) Kent Foster, IASCD
Ken Stinson, Latah Soil and Water Conservation
District (SWCD) Pat McCoy, Capital Press
(ISDA) Tom Dayley, Idaho State Department of Agriculture

Welcome/Announcements

Chairman Whittom called the meeting to order at 8:33 A.M. He welcomed everyone to the meeting and introduced Dave Hoover, representing Rich Sims, of NRCS.

Minutes

Whittom asked if the minutes had been read. Everyone acknowledged that they had taken the opportunity to read them. Reid moved to approve the March 14, 2005 minutes with changes as recommended by Nicolescu. Johnston seconded. After a brief discussion, the motion carried. Johnston moved to approve the minutes of the teleconference as printed. Evans second and the motion carried.

Financial Reports

General Fund Expenses

Thomasson delivered the general fund report. An updated financial report was distributed. She reviewed current spending and explained there will be excess funds in personnel and a possible shortage in operating. Nicolescu pointed out that there is a large percentage of funds available in the Trustee and Benefit account and indicated further discussion regarding the expenditure of these funds would occur later on in the meeting. Reid moved to approve the financial report. Grindstaff seconded and the motion carried.

Resource Conservation and Rangeland Development Program (RCRDP) Fiscal Report

Mastin presented the RCRDP fiscal report. She distributed an updated RCRDP financial report and stated that even despite her efforts at marketing; the loan fund balance continues to increase. Mastin reported on some of the efforts she has taken to promote the program. She has attended two agricultural funders' fairs, one in Twin Falls and one in Idaho Falls, with good participation at the Twin Falls fair and excellent participation in Idaho Falls. Evans thanked Mastin for her efforts and encouraged her to continue traveling around the state. Whittom suggested contacting the weekly newspapers with an article on both programs. Reid encouraged Mastin to continue to attend District Board meetings whenever possible. Discussion continued on ways for Mastin to market both the RCRDP and SRF programs, including radio interviews and television reports. Johnston asked if some of our criteria for collateral could be loosened up a bit. Nicolescu agreed that some of the criteria might need to be loosened and that

a marketing program could be implemented. All agreed that it is important to get the money out to the participants. Reid moved to approve the RCRDP financial report. Johnston seconded and the motion carried.

RCRDP Loan Application(s) Reviews

David and Peggy Springer

Mastin presented the request of David and Peggy Springer for \$80,000 on a ten-year term at 4% interest. Grindstaff moved to approve the loan with the conditions recommended by Mastin. Johnston seconded. Motion carried. Details of the Springer loan application as noted below:

Signing Parties: David and Peggy Springer					
Loan Amount:	\$50,900	Term:	10 Years	Rate:	4%
Conditions:	<ul style="list-style-type: none">· ISCC to be secured by an insured 2nd R/E mortgage on 60 acres· Value of R/E to be established by an acceptable evaluation source· ISCC to secure 1st lien on equipment to be purchased (UCC-1)· Secured equipment to be insured for life of loan				
Disposition:	Approved as Requested				

Stuart and Brenda Wengreen

The Wengreens are requesting and \$83,000 loan on a seven-year term at 4% interest. Evans moved to approve. Grindstaff seconded. Motion carried. Details of the Wengreen loan request as noted below:

Signing Parties: Stuart and Brenda Wengreen					
Loan Amount:	\$83,000	Term:	7 Years	Rate:	4 %
Conditions:	<ul style="list-style-type: none">· ISCC to secure 1st lien on equipment to be purchased (UCC-1) as well as the offered 1998 New Holland tractor· Secured equipment to be insured for life of loan				
Disposition:	Approved as Requested				

RCRDP Servicing actions

James Trent

The Trents requested a partial release of 8.75 acres of their real estate collateral. Reid moved to formally approve the serving action on James Trent. Johnston seconded. Motion carried.

Barry Bollwinkle

Barry Bollwinkle requested an extension on his current commitment. Grindstaff moved to approve, Johnston seconded and the motion carried.

Ted Cantrell

Ted Cantrell requested additional funds due to the increased price of the pivot, making the total loan for \$35,000. Johnston moved to approve. Evans seconded and the motion carried

Doug Ashburn has a request to change the payment to semi-annual to match his incoming EQIP payments. No action was required for approval.

State Revolving Fund

Mastin had two loan requests for the SRF program, one from South Bingham SCD, and one for the Lindsay Lateral Association. DEQ has ranked them 13th and 23rd, respectively, and will only fund projects 1-10 at this point; however, if projects 1-10 are not ready to implement their projects, lower-ranked projects will be moved up. Projects that are not funded do have to re-apply next year and will be ranked with all other applications. As funding may not be available through DEQ, Mastin suggested loaning the funds from the RCRDP program. Evans moved to approve Martin's recommendation for this project. Grindstaff seconded. There was discussion regarding ethics and the perception of loaning funds to a district that might later profit from the project, the motion carried.

Executive Session

Grindstaff moved to enter Executive session pursuant to Idaho Code §67-2345 to discuss personnel issues. Johnston seconded. Roll Call Vote: Evans – Aye, Grindstaff – Aye, Johnston – Aye, Reid – Aye. Motion carried and the members entered executive session at 9:20 a.m. Executive session was adjourned at 10:12 a.m. No formal business actions were executed and no other motions were heard during the closed session.

Groundwater Program Specialist

Bennett distributed responsibilities for a Groundwater Quality Program Specialist. Bennett explained the reasons he would like to suggest reclassifying a water quality resource conservationist as a Groundwater Quality Program Specialist. In several groundwater meetings, it has become clear that this position could help the SCC fulfill its statutory responsibilities that we have been unable to address in the past. Bennett is working with ISDA's personnel section to affect this change. DEQ and IDWR would like to see this position become a reality. Grindstaff stated that this is a very important priority that needs to be addressed. Bennett would like to make this change within existing staff and locate the position in the Twin Falls area.

Other Loan Reviews

Mastin pointed out that the Preston/Riverdale/Whitney Company will be requesting funds to complete a pipeline project. The Franklin SWCD has requested assistance with this project. They have received \$300,000 from the Bureau of Reclamation. They will be requesting \$600,000 to complete this project. Specifics are not in place yet, but there will be two separate loans. SRF would be the preferred funding program, although it may need to be addressed under RCRDP instead.

Water Quality Program for Agriculture Projects

Burleigh presented updated information for Conservation Improvement Grants, the Water Quality Program for Agriculture, and Groundwater Grants. He noted that given the kind of work being performed in these projects, flexibility is important as it is often necessary for participants to modify their original project plans based on factors such as weather and availability of technical resources. Burleigh went on to present details of each of the projects on the priority list.

Rapid Diver Diversion Improvement Project

The first project presented was the Rapid Diver Diversion Improvement Project sponsored by the Idaho SWCD. The project request totals \$48,415 from WQPA. Reid moved to approve. Evans second and the motion carried.

Lower West Branch Priest River Tributaries Project

Burleigh presented the project request of the Lower West Branch Priest River Tributaries Project. There are a number of landowners willing to work with the partnership to complete the project. Funds of \$129,679 have been requested from the WQPA program over a five-year period. Reid moved to approve the

project. Evans seconded and the motion carried. Seven landowners will be involved in this project.

Conservation Improvement Grants

Rodney Hubsmith

Burleigh presented the request of Rodney Hubsmith for a \$10,000 grant from the Wood River SWCD. This project is on a completed TMDL to convert the irrigation system from surface to sprinkler irrigation. Glanbia foods will also assist with the project. Evans moved to approve. Reid seconded and after a brief discussion about grant funding, the motion carried. Johnston moved to send letters to approved grant participants informing them that if their project is not completed within 12 months, they have to resubmit the grant application. Reid seconded and after a brief discussion during which Nicolescu pointed out that the context of this motion already exists in policy, Reid withdrew his second to the motion and the motion died due to a lack of a second.

David Springer

Burleigh next presented the request of David Springer for a \$10,000 grant to supplement the RCRDP loan approved earlier in the meeting. Johnston moved to drop the amount of the grant to \$5,000 and approve at that level. Reid second and the motion carried.

Don Larson

Burleigh presented a request from Don Larson in the amount of \$1,048. The project will complement a previous grant project completed in 2001 by placing additional cross fencing to that installed in 2001. Under the original grant, the landowner installed 2,800 feet of fence on the 120-acre field, creating three pastures. The cross fencing proposed (1,320 feet), will create a fourth field and complete the original plan for the 120 acres. The resulting pasture system will facilitate a higher efficiency of pasture management by creating more equally sized pastures for following a prescribed grazing rotation. Other benefits include more efficient use of irrigation water by shortening the length of water run in the fields. Johnston moved to approve. Reid second and the motion carried.

South Bingham SCD - PMC

Johnston moved to approve the \$10,000 grant request of the South Bingham SCD to expand the existing acreage available to the Aberdeen Plant Material Center. Evans seconded and the motion carried.

FY06 Budget Discussion

Nicolescu distributed copies of Senate Bill 1214, the Commission's FY06 budget allocation. Huston stated that he has put together a one page summary of all the bills that affect the Commission's budget for FY06. Huston distributed copies of this summary to all present. Huston explained the summary sheet and how the bill number and chapter numbers affected our budget for this fiscal year and next fiscal year. Huston also explained how the 27th payroll is funded this year and the bill for CREP funding. Nicolescu distributed copies of House Bill 395, which in essence states that if the State budget has an excess of \$220,000,000.00, a one-time one-percent increase in compensation would be provided to state employees. The addition of CREP funds has increased the SCC's budget by 9.6%, rather than the .04% appropriated in Senate Bill 1214. Evans thanked Houston for creating the summary sheet and expressed his concern that our vehicles are becoming unsafe. Grindstaff requested clarification of conservation benefits yielded by the groundwater conservation grants awarded in 2004-2005. Nicolescu explained that there is not enough expertise in SCC to adequately explain the conservation benefits and stated that this question could be more easily addressed by IDWR. Grindstaff is concerned that no method of quality assurance is in place to monitor projects. Nicolescu stated that we had provided 17 or 18 people the ability to pump from surface water rather than ground water as long as it is available. Water conservation was the primary resource addressed with these grants. It was further noted that all funds expended in the groundwater grants had provided for the implementation of sound conservation management practices to the benefit of landowners.

Nicolescu next gave an update of funds remaining in T&B this year. There is also an overage in personnel of about \$131,000 due to vacancies and funds earned from TSP. Nicolescu presented his plan for expending the excess personnel funds, including asking for a third allocation for Conservation Districts, working with ISDA to complete some 319 projects, working with the Payette SWCD for technical assistance, and requesting permission from DFM to move money from Personnel to Operating in order to purchase two vehicles. McClaran indicated her support for this plan to re-allocate our resources, particularly because the need had been identified in our budget request. Grindstaff asked how the additional funds to Conservation Districts would be allocated, if there is a third allocation. Nicolescu stated that we do have the ability to determine how funds are disbursed for a third allocation. McClaran stated that moving personnel funds down for projects would be viewed more favorably than a third allocation might be. She also noted that revenues in April were \$62 million higher than expected. Revenue is very strong and it is expected that a one-time one-percent increase to staff compensation will become a reality.

Agency Reports

NRCS Update

Dave Hoover presented the NRCS report, focusing on self-assessment forms for 2002 FarmBill Conservation Security Program (CSP) program. Hoover stated that this process is going quite well and the program will be moving into the Magic Valley, Latah, Clearwater, Lewis, NezPerce, and Bonner counties in FY06. NRCS is also working with surrounding states to provide coordination on watersheds that overlap state boundaries. NRCS is also working cooperatively within their agency to provide appropriate technical assistance to help farmers and ranchers to complete the CSP assessment booklets. Hoover also reviewed Environmental Quality Incentive Program (EQIP), Grassland Reserve Program (GRP), Wetland Reserve Program (WRP), and the Farm and Ranchland Protection Program (FRPP). Sadly, there were no applications for FRPP, so the full \$1.1 million allocated will be returned to national headquarters. Johnston questioned why there had been no applications received and asked if this was due to lack of knowledge of the program. Weaver asked if the Nature Conservancy would qualify to participate in this program. Reid asked Hoover if he felt that CSP would replace the FSA green payments. Hoover stated that he did not feel that either program would be increase or decrease solely based on the funds available in either.

Hoover concluded his report by highlighting student (intern) positions and new employees recently hired. Several new soil scientists and soil conservation techs have also been hired.

Meeting was adjourned for lunch at 12:05 p.m.

Meeting reconvened at 1:05 p.m. Scott Koberg introduced Kalissa Copeland, the newest Idaho Association of Soil Conservation Districts employee located in Cascade. Everyone welcomed Kalissa to the meeting. Ms. Copeland stated that she grew up in Rupert and attended Idaho State University in Pocatello and graduated with a degree in biology. She stated she is excited to begin her employment with the Idaho Association of Soil Conservation Districts.

IASCD Update

At Hawley's request, Foster presented the Idaho Association of Soil Conservation Districts report. They are working on the 2005 Annual IASCD Conference and have asked John Keys to be the keynote speaker and have invited Norm Semanko as a possible backup. Foster also reported on the Forestry Conference. Coeur d'Alene High School won the event, with individual honors going to a student from Coeur d'Alene High. Foster also mentioned that planning is underway for a joint all-personnel meeting. He also reported on the success of the Envirothon competition and stated that a newsletter will be sent

reporting on Envirothon. Foster asked if the SCC would be interested in contributing an additional \$500.00 this year, as BLM backed out of their funding commitment. Whitton suggested honoring this request. Reid moved to give the Envirothon contest an additional \$500.00. Evans seconded and the motion carried. Foster also reported that Terri Grubbs has submitted her resignation effective on Wednesday.

IDEA Update

New IDEA Chairman Debbie Tiede reported on IDEA activities. She asked for suggestions on what the Commission would like to hear from IDEA. Grindstaff stated that the members just want to know what IDEA is doing. Tiede reported that all areas are preparing the agendas for their workshops. Training ranges from ToolKit workshops to a joint workshop between Divisions V and VI that would include a riverboat tour of a 319 project in Division V. There will also be newsletter training, web training, and self-defense training. Travel expenses are running high this year. Tiede asked about the possibility of receiving increased funds from the Commission and NRCS to fund their training programs and requested that the Commission consider that possibility. Reid asked if Tiede's expenses were covered for attending Commission meetings. Foster stated that Tiede's expenses were reimbursed. Johnston moved to increase the funding to IDEA to \$500.00 per Division. Evans seconded and the motion carried. Tiede thanked Shea for her assistance in updating the IDEA website and also reported on the rifles purchased for the rifle raffle at conference.

Miscellaneous Business

Nicolescu stated that there had been some short-term merit increases provided to staff for three pay periods. East and West Cassia have had some preliminary discussions about combining their districts into one district, as they are having a difficult time finding enough supervisors. Blaine SCD is losing its office space that has been provided by the county. Staff members tried to meet with the Blaine SCD, but were unable to attend the meeting due to flooding in the area. Nicolescu mentioned that several people had been selected as preliminary attendees at a Conservation Delivery Systems meeting in Salt Lake the summer. Balanced Rock, Snake River, and Twin Falls districts have signed an MOU with the Twin Falls County Commissioners to continue to receive their funding. Nicolescu stated that an all personnel meeting will be held June 8-10 to provide training to staff and have an opportunity for all of the new staff members to meet each other. Grindstaff stated that his is a good idea to help staff understand how funding decisions are made, where the funding comes from, and how the budgets are set. Nicolescu shared the request from Ag in the Classroom to participate as a member. Johnston moved to support Ag in the Classroom with a membership. Evans seconded and the motion carried.

Annual Plans and Report of Accomplishments

Weaver distributed a summary of the priorities of the Conservation Districts, including a summary of the Conservation Districts' priorities over the last three years. This year, a narrative portion was not required, merely an update of what they wished to accomplish in the spreadsheet format. Only one District submitted a plan without any changes, which was the Blaine District. Most of the Districts used the recommended Excel format, with a few using the optional method. Caribou's report was distributed as an example of using an alternate format and Power's was distributed as an example of how to properly use the excel format. Washington State prepares a report of accomplishments that is distributed to their legislature. Weaver suggested that Districts could use this report as an example for preparing a similar report to our legislature. In Weaver's judgment, each Conservation District has met the Commission's requirement to submit an annual plan. "Most Districts are working to improve measurable actions in Annual Plans."

Public Service Announcements

Ambrose announced that an opportunity to participate in a partnership effort to produce PSAs had been presented to the Commission. Nicolescu had initially suggested that the members might like to contribute \$1,000 for the creation of PSAs to be distributed across the state. Nicolescu clarified that he had committed to Jody Fagan of NRCS that the SCC might be interested in participating in PSAs. Whitton stated that all radio stations typically perform public service announcements free of charge and questioned why the Commission was paying for something that should be done for free. Nicolescu stated that this is just a proposal, not set commitment. Nicolescu agreed to obtain additional information about the costs and/or benefits of PSAs. Ambrose noted she would utilize whatever means the Commission saw fit to promote its programs.

District Budget Hearing pursuant to Idaho Code 22-2727

Reid moved to enter the District Budget Hearing process pursuant to Idaho Code 22-2727. Johnston seconded and the motion carried.

Shea began by stating that the Soil Conservation District budget hearing is being held as required by Conservation District Law 22-2727, which states "a public hearing shall be held by the Idaho Soil conservation Commission on or before June 15 of each year. Written notice of such hearing shall be given to each Idaho Soil Conservation District and to all other persons requesting notice

of such hearing." Initial notification was sent to Districts on April 27, 2005, as well as a follow-up reminder on May 12, 2005.

In accordance with District Law, the Commission bases its requests for State funds for Conservation Districts upon the consideration of budgets, budget requests, programs, five year plans and reports given at this hearing. Further, this hearing provides those wishing to testify orally or in written text the opportunity to provide input about the above subjects.

As of May 19, 2005, 51 Soil Conservation Districts have submitted partial or complete budget request materials.

County funding to Districts for FY07 tentatively totals \$330,881.00, or an average of \$6,488 per District, which is a total increase of \$10,653 over FY05. Funding requests for FY07 will tentatively total \$661,762.00, or an average of \$12,976 per District, which is an increase of \$21,306 over FY05.

Districts received 66.5 percent or an average \$14,504 in FY05 and based on the FY05 state allocations and FY07 county Districts would receive 64.4 percent or an average of \$15,337. Grindstaff moved to approve the budget presentation. Johnston seconded and the motion carried.

Executive Session

Grindstaff moved that the Commission enter executive session to discuss personnel issues and possible litigation pursuant to Idaho Code 67-2345. Evans second. Roll call vote – Johnston – Aye, Reid, Aye, Evans Aye, Grindstaff Aye. Motion carried. Executive session was adjourned at 4:15 p.m. No formal business actions were executed and no other motions were heard during the closed session.

With no further business to discuss, the meeting was adjourned at 4:20 p.m.

Respectfully submitted by Brenda Thomasson, Management Assistant